

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

v. :

LIFE PARTNERS HOLDINGS, INC., BRIAN
PARDO, R. SCOTT PEDEN, AND
DAVID M. MARTIN :

Defendants. :

Civil Action No.: 1-12-cv-00033

DEFENDANTS' DESIGNATION OF EXPERT WITNESSES

Defendants, Life Partners Holdings, Inc. ("LPHI"), R. Scott Peden, Brian D. Pardo, and David M. Martin (collectively the "Defendants") submit their Designation of Expert Witnesses Under Rule 26 of the Federal Rules of Civil Procedure.

I. Retained Experts

1. Jim Johnson
BDO USA, LLP
700 N. Pearl, Suite 2000
Dallas, TX 75201

Mr. Johnson will testify about LPHI's revenue recognition policies and practices, LPHI's methodology for evaluating its investment in owned policies for impairment, as well as the generally accepted accounting principles ("GAAP") applicable to such policies and practices. He will also opine as to the reason for LPHI's restatement of its financial statements for 2009 and 2010. Mr. Johnson will testify about the immateriality of these accounting and financial reporting matters and that the restatement of LPHI's financial statements was not required by GAAP. Mr. Johnson will also rebut the opinions of Mr. Lawrence Ranallo.

The expert report of Mr. Johnson is incorporated herein by reference and provided herewith.

2. Dr. Keith Ugone
Analysis Group, Inc.
2911 Turtle Creek Blvd.
Suite 600
Dallas, TX 75219

Dr. Ugone will testify about Professor Kenneth M. Lehn's opinion regarding whether the decline in LPHI's stock price on December 16, 2010 was statistically significant. Dr. Ugone will opine that Professor Lehn did not perform economic causation-related analyses allowing for an inference to be drawn that either *The Life Settlements Report*, or Morningstar's reporting of said article, caused LPHI's stock price decline on December 16, 2010. Dr. Ugone will also opine that Professor Lehn did not explicitly express an opinion as to whether *The Life Settlements Report* and/or Morningstar's reporting of said article caused LPHI's stock price decline on December 16, 2010. Dr. Ugone will opine that the use of Dr. Lehn's conclusion (that LPHI's stock price decline on December 16, 2010 was statistically significant) to draw other inferences or conclusions without further economic and statistical analysis likely would result in irrelevant, unreliable, and unsupported conclusions.

The expert report of Dr. Ugone is incorporated herein by reference and provided herewith.

II. Nonretained Experts

Out of an abundance of caution, Defendants are hereby designating the following as a nonretained expert in accordance with Federal Rule of Civil Procedure 26(a)(2)(C):

1. James Ronald "Ron" Conner
Cole & Reed, P.C.
531 Couch Drive
Oklahoma City, OK 73102
Tel.: (405) 239-7961

To the extent Plaintiff introduces testimony or evidence relating to its allegations concerning "return on investment" to purchasers of life settlements facilitated by Life Partners, Inc., including, but not limited to, Larry Rubin's opinion on projected return on investment, Mr. Conner will testify regarding the preparation of, methodology utilized, and findings contained in, the Cole & Reed, P.C. reports dated July 2, 2012 and January 30, 2013, respectively. In particular, Mr. Conner will testify regarding the calculation of ROI and the historical ROI for LPI-facilitated transactions on matured policies from January 1, 2001 through December 31, 2012.

The Cole & Reed reports are incorporated herein by reference and provided herewith.

III. Cross-Designation of Plaintiff Experts

Defendants reserve the right to elicit expert opinion testimony from any qualified expert witness proffered by Plaintiff.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on July 16, 2013, I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel who have registered with the Court. All others were served a copy via U.S. mail.

/s/ Elizabeth L. Yingling

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